

March 23, 1981

LB 167

SENATOR MARSH: I call the question.

SENATOR CLARK: The question has been called for. Do I see five hands? I do. The question before the House is ceasing debate. All those in favor vote aye, opposed no. Have you all voted?

CLERK: Senator Clark voting aye.

SENATOR CLARK: Record the vote.

CLERK: 27 ayes, 5 nays, Mr. President, to cease debate.

SENATOR CLARK: Senator Beutler, do you wish to close?

SENATOR BEUTLER: Mr. Speaker and members of the Legislature, let me go back and try to clarify and put in perspective for you exactly what is occurring right now. The bill as it is right now would make everything completely retroactive so that the new rate that goes into effect once this bill is passed will apply to all taxes whenever they are incurred. If you like that philosophy then you should vote against the amendment. But there are two other possibilities. One thing would be to say that for any taxes that become delinquent prior to the effective date of the act, that they would always and forever bear the delinquency rate that was applicable at the time that they were incurred or that they became delinquent. So if it was 6 percent, it would be 6 percent until it is paid, regardless of this law. But there is a compromise position. We can say that it will be 6 percent, it will be at the old rate up until the effective date of this law and at the new rate after the effective date of this law until it is paid. So with regard to something that is delinquent both before and after the act, you would apply two rates, the rate applicable before the effective date of the act and the new rate applicable with...that becomes applicable with the passage of the act. So it is a compromise position in that regard. A few days ago most of you voted to reduce that rate, to reduce the overall delinquency rate to 12 percent. At that time I ascertained a part of the reason that you did that is because you had some hesitancy with applying this new high rate to all taxes. And for that reason this amendment is in a second sense a compromise amendment. It is going to be necessary for us to raise that delinquency rate back up to 14 or 15 percent. That amendment is going to pass and this amendment that we are offering you today right now would have the effect of mitigating the effect of that new high 14 or 15 percent interest rate. So it is a compromise in that sense also. The point